### Fast Facts on California Rural Communities Compiled by: Assembly Committee on Jobs, Economic Development, and the Economy V. Manuel Pérez, Chair (June 2010)

Rural California is extremely diverse and contains some of our state's most important geographic and cultural landmarks. Although there exist differing definitions of what is rural and what is not, there is no doubt that a significant number of Californians call the rural parts of our state their home and that rural areas make substantial and important contributions to California's economy.

#### California Economy

- In 2008, California's total gross state product (GSP) was \$1.84 trillion as compared to the United States with an estimated gross domestic product (GDP) of \$14.2 trillion.<sup>1</sup>
- As of 2008, California's GSP ranked this state as being the 8<sup>th</sup> largest economy in the world. The 2009 worldwide GDP in rank order are as follows: United States (\$14.1 trillion), Japan (\$5.10 trillion), China (\$4.90 trillion), Germany (\$3.35 trillion), France (\$2.65 trillion), United Kingdom (\$2.17 trillion), Italy (\$2.11 trillion), Brazil (\$1.57 trillion), Canada (\$1.34 trillion), India (\$1.30 trillion), and the Russian Federation (\$1.23 trillion). While the 2009 GSP numbers are not currently available, it is likely that California will remain in 8th position.<sup>2</sup>
- California is the largest producer and exporter of agricultural products in the nation.<sup>3</sup>

#### **Defining Rural**

- There exist several different definitions of the term "rural."
- One common way to define rural areas is at the county level. Under this measure, counties with 80% or greater rural land mass are generally considered rural. Using this definition, about 5 million people, or 13% of California's 38 million residents, live in rural counties as of January 2009.<sup>4</sup>
- Another definition, often used by the U.S. Census, is based on density. Under this definition, areas are rural if they contain population densities of less than 500 people per square mile. Using this measure, about 7.6% of California residents lived in rural areas between 2006 and 2008.<sup>5</sup>

# California's Rural Demographics and Geography

- Approximately 80% of California's land area is defined by the State of California to be rural. California's rural geography is extremely diverse. It includes the snowy peaks of the Sierra Nevada mountain range, the arid Mojave Desert, as well as coastal regions and the nation's most productive agricultural areas.<sup>6</sup>
- Residents of rural areas tend to be slightly older than residents of urban areas. Residents of rural areas are also more likely to be retirees, veterans or American Indians.<sup>7</sup>
- As of 2008, 15.7% of residents in rural areas, as defined by the U.S. Census, were born outside of the U.S. as compared to 28% of urban residents born outside of the U.S. Of the rural residents born outside of the U.S., 52.8% were born in Latin America and 32% were born in Asia. Over 80% entered the U.S. before 2000.<sup>8</sup>
- The "digital divide" between rural and urban residents has narrowed significantly in the last several years. Rural residents are now about as likely as, or only slightly less likely than, urban residents to use a computer and the Internet at home.<sup>9</sup>

# California's Agricultural Economy

- California is the nation's foremost producer and exporter of agricultural products.<sup>10</sup>
- California is the sole producer in the country of several high-value crops such as almonds, olives, dates, pomegranates, figs, grapes and raisins, pistachios, artichokes and walnuts.<sup>11</sup>
- The top five commodities being exported by California are almonds, dairy products, wine, table grapes and Pistachios. The top markets that import California agricultural products include Canada (representing 24% of total California exports), EU Nations (23% of exports), and Japan (10% of exports).<sup>12</sup>
- In 2008, 81,500 farms operated in California, covering 25.4 million acres of land. Almost 30% of California farms produced commodity sales totaling over \$100,000, a proportion significantly higher than the national average of 16%.<sup>13</sup>

- In April 2010, California farms employed about 240,000 farm workers, the largest number of farm workers working in any single state. The average hourly wage rate for all hired farm workers (including field and livestock workers) was \$11.12, slightly higher than the national average.<sup>14</sup>
- Nine of the country's ten most productive agricultural counties are in California. Highly productive agricultural counties in California include Fresno, Tulare, Kern, Monterey, and Merced.<sup>15</sup>

#### Jobs and Job Growth

There is a wide range of industries, employment growth and unemployment rates throughout different rural areas of the state. Below are statistics for five regions of the state that the Bureau of Labor Statistics deems "non-metropolitan statistical areas" within California. These areas are the most rural areas of the state and are located mainly in the northern and eastern parts of California.<sup>16</sup>

<u>Mother Lode Region (Amador, Calaveras, Mariposa, and Tuolumne counties)</u>: 5.6% projected total job growth rate between 2006 and 2016, with the sectors expecting the largest job growth being Government, Education Services, Health Care and Social Assistance, as well as Leisure and Hospitality. Mean annual wage as of May 2009 is \$42,870. The largest industry sector is Government.<sup>17,17</sup>

Eastern Sierra Region (Alpine, Inyo and Mono counties): 13% projected total job growth between 2006 and 2016, with the sector expecting the largest job growth being Leisure and Hospitality. Mean annual wage as of May 2009 is \$39,150. The largest industry sectors are Government, as well as Leisure and Hospitality.<sup>17, 18</sup>

<u>North Coast Region (Del Norte, Humboldt, Lake and Mendocino counties):</u> 4.5% projected total job growth between 2006 and 2016. The largest sector and the sector expecting the largest growth rate is Government. Retail trade is also expected to have above-average growth rates. Mean annual wage as of May 2009 is \$39,140.<sup>17,18</sup>

<u>North Valley Region (Colusa, Glenn, and Tehama counties)</u>: 5.5% projected total employment growth between 2006 and 2016. Government is the largest sector and the sector expecting the largest growth rate. Other sectors expected to grow include Wholesale Trade, Education Services, Health Care & Social Assistance, Leisure and Hospitality, as well as Transportation, Warehousing and Utilities. Mean annual wage as of May 2009 is \$37,160.<sup>17,18</sup>

<u>Northern Mountains Region (Lassen, Modoc, Nevada, Plumas, Sierra, Siskiyou, and Trinity counties)</u>: 5.5% projected total employment growth between 2006 and 2016. The largest sector and the sector expecting the largest growth rate is Government. Significant growth is also expected in the Education Services, Health Care and Social Assistance, Leisure and Hospitality and Retail Trade sectors. Mean annual wage as of May 2009 is \$42,750.<sup>17,18</sup>

# Health and Healthcare in Rural California

- In 2007, there were 935 residents per doctor in rural California as compared to a ratio of 460 residents per doctor in urban areas of the state. That same year, about 45% of rural Californians lived in regions designated as primary care shortage areas.<sup>18</sup>
- In the five-year period between 2002 and 2008, Californians living in rural counties were slightly more likely than urban residents to rate their health as being "poor" in annual surveys.<sup>19</sup>
- Just like urban areas, rural areas can have significant air, water and toxic chemical pollution. For example, the San Joaquin Valley ranks among the worst regions in the nation in terms of outdoor air pollution, and rural areas of our state often suffer from significant water pollution problems because rural water districts do not have sufficient funding to clean up public water wells.<sup>20</sup>, <sup>21</sup>
- Between 2007 and 2008, the percentage of residents in rural counties who suffer from Asthma increased faster than the percentage of urban county residents suffering from Asthma.<sup>22</sup>
- A 2003 study by the California Rural Indian Health Board found that rural tribal American Indians in California who used Tribal Health Programs were hospitalized at rates 60% higher than non-Indian Californians living in the same counties.<sup>23</sup>

# **Education in Rural California**

- According to the USDA Economic Research Institute, the number of rural Californians not completing High School decreased from 25% in 1980 to 17.8% in 2000. The percent of urban Californians not completing High School in 2000 stood at 23.3%.<sup>24</sup>
- As of 2008, residents of urban counties were about 6% more likely than their rural California counterparts to have received a college degree.<sup>25</sup>
- Rural High Schools tend to offer fewer AP courses and college-preparatory classes than do urban schools. This may be one factor influencing the lower college-going rates seen in rural counties.<sup>26</sup>

#### Sources Cited

<sup>6</sup> USDA Rural Development, "Jobs, Economic Development and Sustainable Communities," February 2010.

http://www.rurdev.usda.gov/ca/publications/index.htm ; accessed 06-17-10. Also: Sam Willburn, Department of Health Care Services, State Affairs Update, The California State Rural Health Association 9th Annual Rural Health Conference, Sacramento, CA, November 19, 2009. Presentation available at http://www.csrha.org/conference/2009/presentations/samwillburn.ppt.; Presentation accessed 06-17-10

<sup>7</sup> Sam Willburn, Department of Health Care Services, *State Affairs Update*, The California State Rural Health Association 9th Annual Rural Health Conference, Sacramento, CA, November 19, 2009. Presentation available at http://www.csrha.org/conference/2009/presentations/samwillburn.ppt.; Presentation accessed 06-17-10. Also: US Census Bureau. "American Community Survey: California, 2006-2008." http://factfinder.census.gov/. Accessed 7-9-10. Also: California State Rural Health Association. "Rural California Fact Sheet 2010." http://www.csrha.org/2010stats\_facts.html; Accessed 6-22-10

<sup>8</sup> US Census Bureau. "American Community Survey: California, 2006-2008." <u>http://factfinder.census.gov/</u>. Accessed 7-9-10. <sup>9</sup> Public Policy Institute of California, "Californians and Information Technology," June 2009;

http://www.ppic.org/content/pubs/survey/S\_609MBS.pdf; Accessed 6-24-10

California Department of Food and Agriculture, "California Agricultural Production Statistics 2009-2010 - Overview Section";

http://www.cdfa.ca.gov/Statistics/; Accessed 6-18-2010. California Department of Food and Agriculture, "California Agriultural Highlights, 2008-2009"; http://www.cdfa.ca.gov/Statistics/; Accessed 6-18-2010.

<sup>11</sup> California Department of Food and Agriculture, "California Agricultural Production Statistics 2009–2010 – Overview Section";

http://www.cdfa.ca.gov/Statistics/; Accessed 6-18-2010. <sup>12</sup> UC Davis Agricultural Issues Center, "March 2010 AIC Issues Brief - California International Agriculture Exports in 2008";

http://aic.ucdavis.edu/pub/briefs/brief36.pdf; Accessed 6-21-10 <sup>13</sup> California Department of Food and Agriculture, "California Agricultural Production Statistics 2009–2010 – Overview Section"; http://www.cdfa.ca.gov/Statistics/; Accessed 6-18-2010.

National Agricultural Statistics Service. "Farm Labor Report May 20, 2010",

http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1063; accessed 6-21-2010

<sup>15</sup> California Department of Food and Agriculture, "California Agriultural Highlights, 2008-2009"; http://www.cdfa.ca.gov/Statistics/; Accessed 6-18-2010.

<sup>16</sup> Bureau of Labor Statistics. "May 2009 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates." http://www.bls.gov/oes/current/oessrcma.htm#C; accessed 6-25-10

California Employment Development Department. "Projections of Employment by Industry and Occupation";

http://www.labormarketinfo.edd.ca.gov/?PAGEID=145; accessed 6-28-2010

California State Rural Health Association. "Rural California Fact Sheet 2010." http://www.csrha.org/2010stats\_facts.html; Accessed 6-22-10

<sup>19</sup> Sam Willburn, Department of Health Care Services, State Affairs Update, The California State Rural Health Association 9th Annual Rural Health Conference, Sacramento, CA, November 19, 2009. Presentation available at http://www.csrha.org/conference/2009/presentations/samwillburn.ppt.; Presentation accessed 06-17-10

Meng, Ying-Ying et al. "Outdoor air pollution and uncontrolled asthma in the San Joaquin Valley, California" published in Journal of Epidemiology and Community Health, February 2010. Also: Union of Concerned Scientists. "Clearing the Air in the San Joaquin Valley". Available online at http://www.ucsusa.org/clean\_vehicles/vehicle\_impacts/diesel/clearing-the-air-in-the-san.html. Accessed 7-16-10.

Scott, Julia. "Nitrate contamination spreading in California communities", May 13, 2010; http://californiawatch.org/nitrate-contamination-spreadingcalifornia-communities ; Accessed 6-24-10 <sup>22</sup> Sam Willburn, Department of Health Care Services, *State Affairs Update*, The California State Rural Health Association 9th Annual Rural Health

Conference, Sacramento, CA, November 19, 2009. Presentation available at http://www.csrha.org/conference/2009/presentations/samwillburn.ppt; Presentation accessed 06-17-10

<sup>23</sup> California Rural Indian Health Board. "Disparities in hospitalizations of Rural American Indians." Available Online at http://www.crihb.org/policyin-action/research/ca-research-documents.html; Accessed 6-25-10

<sup>24</sup> USDA Economic Research Service, "California Fact Sheet"; <u>http://www.ers.usda.gov/StateFacts/CA.HTM</u>; Accessed 6-23-10

25 Sam Willburn, Department of Health Care Services, State Affairs Update, The California State Rural Health Association 9th Annual Rural Health Conference, Sacramento, CA, November 19, 2009. Presentation available at http://www.csrha.org/conference/2009/presentations/samwillburn.ppt.; Presentation accessed 06-17-10

<sup>26</sup> Public Policy Institute of California. "School Resources and Student Achievement in California." February 2000;

http://www.ppic.org/content/pubs/rb/RB 200JBRB.pdf; Accessed 6-25-10. Also: California Postsecondary Education Commission. "Factors Affecting College-Going Rates in California: A Study Prospectus." December 2006. http://www.cpec.ca.gov/completereports/2006reports/wp06-09.pdf. Accessed 7-13-10.

<sup>&</sup>lt;sup>1</sup> Bureau of Economic Analysis, Gross State Product, www.bea.gov/bea/regional/gsp/; accessed 6-21-10

<sup>&</sup>lt;sup>2</sup> http://siteresources.worldbank.org/DATASTATISTICS/Resources/GDP.pdf; accessed 05-24-10

<sup>&</sup>lt;sup>3</sup> California Department of Food and Agriculture, "California Agriultural Highlights, 2008-2009"; http://www.cdfa.ca.gov/Statistics/; Accessed 6-18-2010

<sup>&</sup>lt;sup>4</sup> Sam Willburn, Department of Health Care Services, State Affairs Update, The California State Rural Health Association 9th Annual Rural Health Conference, Sacramento, CA, November 19, 2009. Presentation available at http://www.csrha.org/conference/2009/presentations/samwillburn.ppt.; Presentation accessed 06-17-10

<sup>&</sup>lt;sup>5</sup> US Census Bureau, "Census 2000 Urban and Rural Classification", http://www.census.gov/geo/www/ua/ua 2k.html. Accessed 7-13-10.